

June 27, 2022

Submitted via email to: [regs.comments@federal.reserve.gov](mailto:regs.comments@federal.reserve.gov)

Ann E. Misback  
Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Ave. NW,  
Washington, DC 20551

RE: Community Reinvestment Act Regulations -Docket No. R-1769 and RIN 7100-AG29

To Whom it May Concern:

I appreciate the opportunity to comment on the proposed CRA rule. While the current CRA framework is badly in need of updating, I urge the agencies to proceed cautiously and afford an extended period of public review and comment. The proposed rule is nearly 700 pages long and the period allowed for comment and consideration is inadequate given the impact and significance of the proposal. An extended comment period will allow for more careful analysis and increase public participation.

Although I would appreciate a longer comment period to further evaluate the rule, there is one issue I wish to comment on now. I am concerned with the proposed metrics required for banks to receive a satisfactory rating. While the first stated key element of the proposed rule is to expand access to credit and banking services in low- and moderate- income communities, I fear the rule as proposed will have the opposite effect. The proposed rule seeks to implement thresholds that will likely increase the number of banks receiving a “needs improvement” rating by upwards of 500%. Community banks serve an important purpose in delivering financial services to our most vulnerable communities. Continually increasing the compliance burden will only push more community banks out of the business and ultimately negatively impact the very communities which this rule seeks to protect. Meanwhile, nonbank lenders continue to operate outside of the purview of CRA. Transparency in CRA evaluation scoring is beneficial to the industry and communities, however the rigid thresholds established to receive a “satisfactory” rating leave little room for consideration of performance context. In the interest of preserving financial services for already vulnerable communities, I urge the Agencies to take a more flexible approach in CRA ratings than the one proposed. Performance context and CRA performance is far more nuanced than meeting a hardline metric for a satisfactory rating based almost exclusively on lending data without context.

I thank you for your time and consideration,

Alison L. Tower, JD, MBA, CRCM  
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